

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐  
(highlight changes)

<b>APPLICATION FOR PERMIT TO DRILL</b>				5. MINERAL LEASE NO: Nordeen	6. SURFACE: Fee
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: San Juan Minerals Exploration, Inc.				9. WELL NAME and NUMBER: Dickenson / Howard # 1	
3. ADDRESS OF OPERATOR: P.O. Box 310367 Mexican Hat STATE UT ZIP 84531				10. FIELD AND POOL, OR WILDCAT: Mexican Hat 410	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 321'FWL 1131'FSL 601829X 37.160533 AT PROPOSED PRODUCING ZONE: 4113093Y -109.853179				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 5 42S 19E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 1 1/4 miles Northeast of Mexican Hat, UT.				12. COUNTY: San Juan	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 321'		16. NUMBER OF ACRES IN LEASE: 105		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 500'		19. PROPOSED DEPTH: 1,500		20. BOND DESCRIPTION: #490E867A	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 4273' Gr.		22. APPROXIMATE DATE WORK WILL START: 4/2/2006		23. ESTIMATED DURATION: 21 days	

**PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12"	8 5/8" T&C 32lb.	40	Class A 35 sacks 1.18 15.6ppg
7 7/8"	5 1/2" T&C 17lb.	1,200	Class A 176 sacks 1.18 15.6ppg

**ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- ☒ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
- ☒ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER

- ☒ COMPLETE DRILLING PLAN
- ☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Clint Howell

TITLE Owner

SIGNATURE Clint Howell

DATE 3/6/2006

(This space for State use only)

API NUMBER ASSIGNED: 43037-31845

**Approved by the  
Utah Division of  
Oil, Gas and Mining**

(See Instructions on Reverse Side)

Date: 06-15-09

By: [Signature]

**RECEIVED**

**MAR 10 2006**

DIV. OF OIL, GAS & MINING

977 West 2100 South  
Salt Lake City, Utah 84119  
(801) 972-6222  
(801) 972-6235 FAX  
www.andersoneng.com



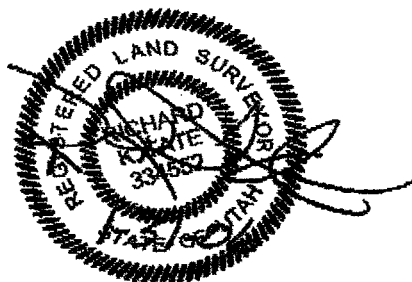
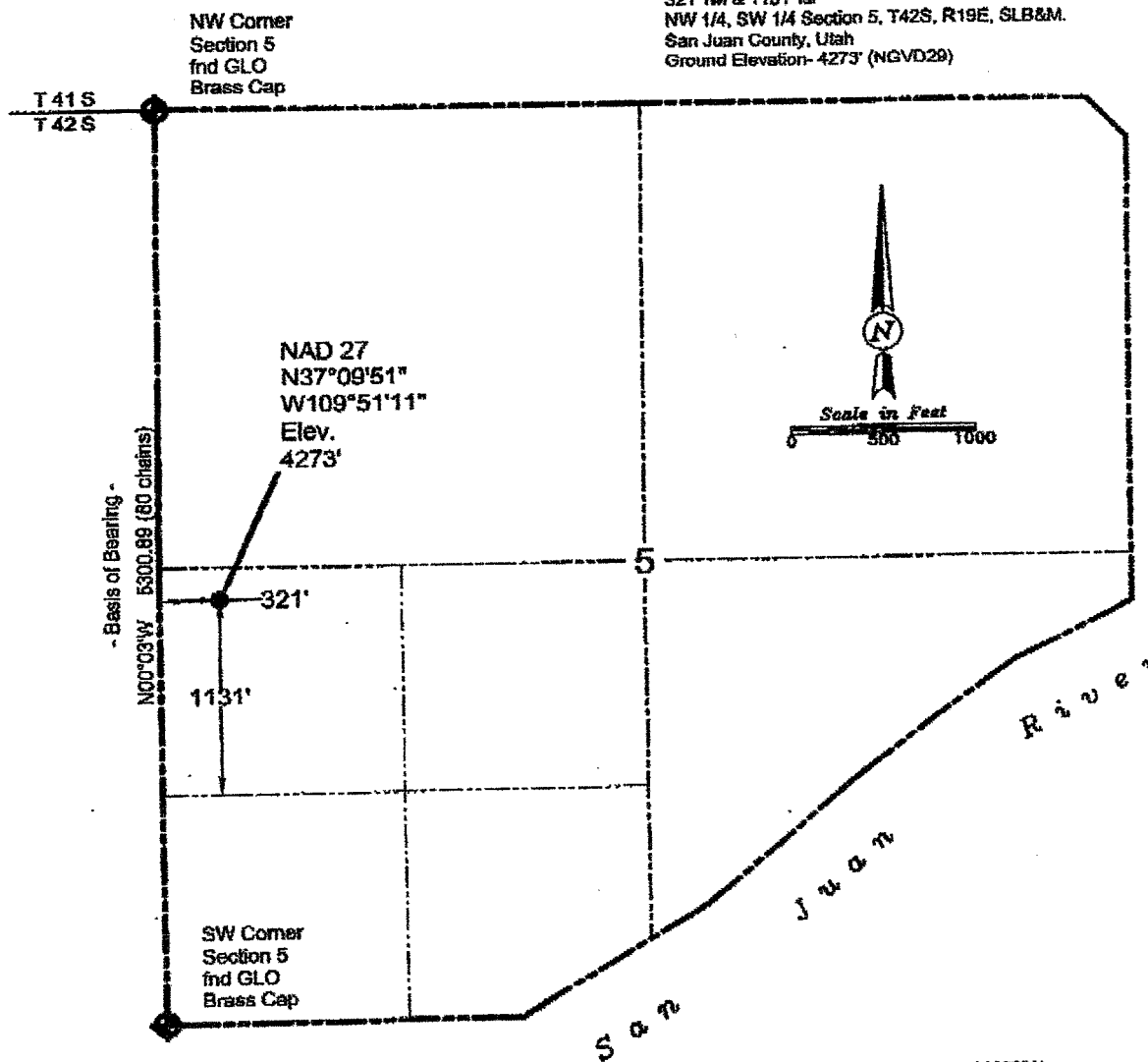
Grants, New Mexico  
(505) 285-6484

*Exhibit #3*

# Well Location Survey

**Clair Howard, Jerry Dickenson  
& Clint Howell WELL NO. 1**

321' fwi & 1131' fal  
NW 1/4, SW 1/4 Section 5, T42S, R19E, SLB&M.  
San Juan County, Utah  
Ground Elevation- 4273' (NGVD29)



- Basis of Bearing is N00°03'W between the SW corner and NW corner of Section 5 from GPS observations taken 22-January-2006
- Land use is grazing or existing oil field
- Elevation values are derived as differential from NW corner of Section 5 (4284) as shown on 7.5 minute USGS quadrangle
- There were no oil or gas wells observed within 920 feet.

CIVIL ENGINEERS ▲ CONSTRUCTION MANAGERS ▲ LAND SURVEYORS

**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 03/10/2006

API NO. ASSIGNED: 43-037-31845

WELL NAME: DICKENSON/HOWARD 1

OPERATOR: Wesgra Corporation ( N/1000 )

CONTACT: CLINT HOWELL

PHONE NUMBER: 435-683-2298

**PROPOSED LOCATION:**

NWSW 05 420S 190E

SURFACE: 1131 FSL 0321 FWL

BOTTOM: 1131 FSL 0321 FWL

COUNTY: SAN JUAN

LATITUDE: 37.16053 LONGITUDE: -109.8532

UTM SURF EASTINGS: 601829 NORTHINGS: 4113093

FIELD NAME: MEXICAN HAT ( 410 )

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DKD	6/13/06
Geology		
Surface		

LEASE TYPE: 4 - Fee

LEASE NUMBER: FEE

SURFACE OWNER: 4 - Fee

PROPOSED FORMATION: DSCR

COALBED METHANE WELL? NO

**RECEIVED AND/OR REVIEWED:**

☒ Plat  
☒ Bond: Fed[] Ind[] Sta[] Fee[]  
(No. 7553401733 )  
☒ Potash (Y/N)  
☒ Oil Shale 190-5 (B) or 190-3 or 190-13  
☒ Water Permit  
(No. MUNICIPAL )  
☒ RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )  
☒ Fee Surf Agreement (Y/N)  
☒ Intent to Commingle (Y/N)

**LOCATION AND SITING:**

\_\_\_\_ R649-2-3.

Unit: \_\_\_\_\_

\_\_\_\_ R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

☒ R649-3-3. Exception Goodridge Zone is under 156-3.

\_\_\_\_ Drilling Unit

Board Cause No: \_\_\_\_\_

Eff Date: \_\_\_\_\_

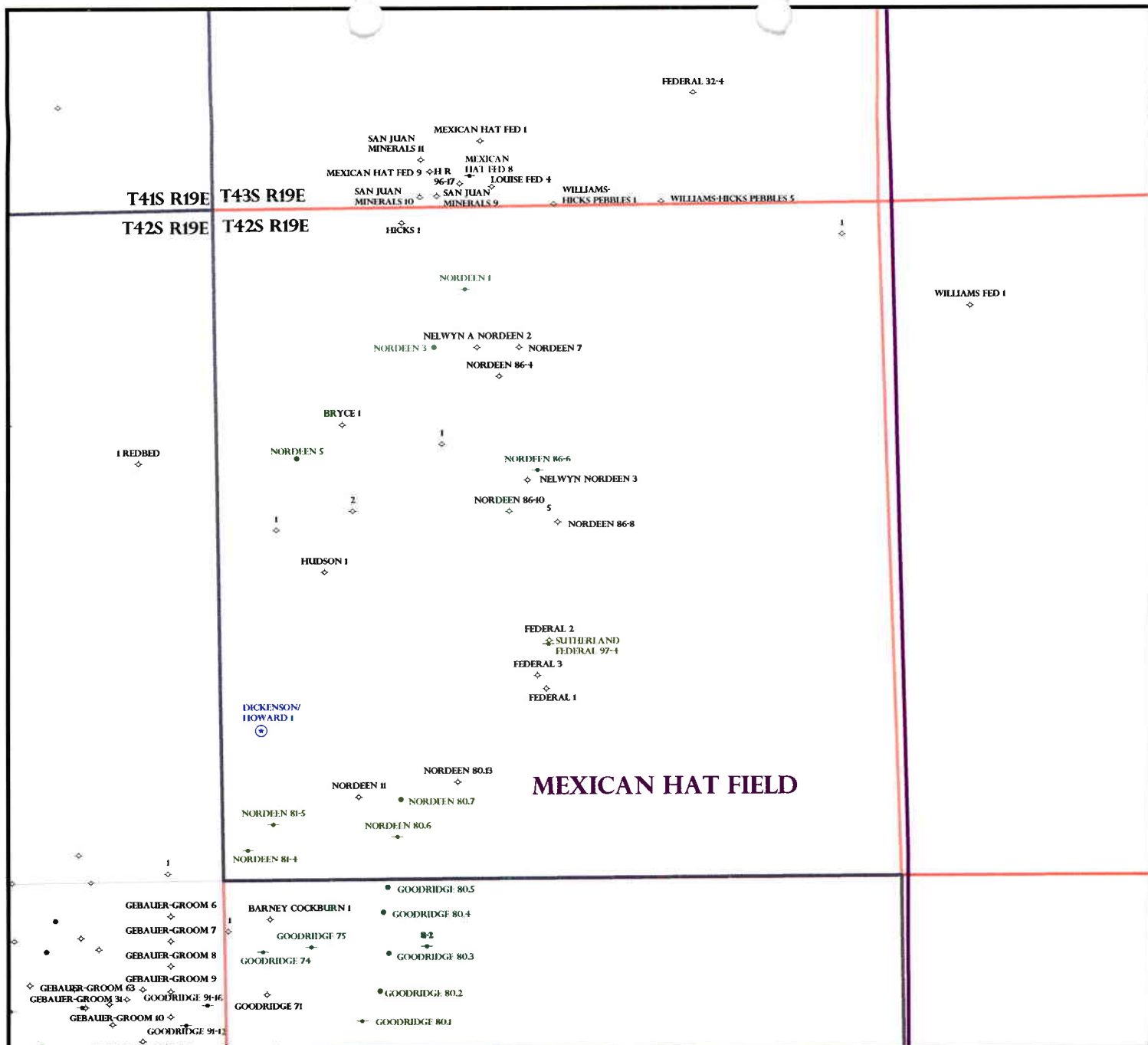
Siting: \_\_\_\_\_

\_\_\_\_ R649-3-11. Directional Drill

COMMENTS: Needs Permit (05-03-06)

STIPULATIONS: 1 - STATEMENT OF BASIS

2 - Cement Stop #4 (8 7/8" and 5 1/2")



## MEXICAN HAT FIELD

OPERATOR: SAN JUAN MIN EXPL (N0810)

SEC: 5 T. 42S R. 19E

FIELD: MEXICAN HAT (410)

COUNTY: SAN JUAN

CAUSE:

**Field Status**

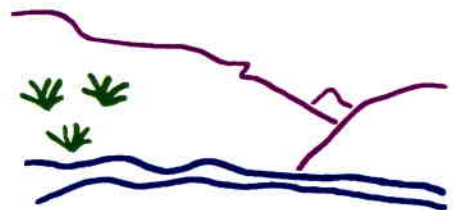
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

**Unit Status**

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

**Wells Status**

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY  
DATE: 20-MARCH-2006

**DIVISION OF OIL, GAS AND MINING**  
**APPLICATION FOR PERMIT TO DRILL**  
**STATEMENT OF BASIS**

**OPERATOR:** San Juan Minerals Exploration, Inc  
**WELL NAME & NUMBER:** Dickenson/Howard #1  
**API NUMBER:** 43-037-31845  
**LOCATION:** 1/4, 1/4 NWSW: Sec 5 TWP: 42 RNG: 19 1131 FSL 321 FWL

**Geology/Ground Water:**

A well at this location will likely be spud into a very thin soil formed on the Permian age Halgaito Formation of the Cutler Group. The San Juan River is nearby and, given the depth, if there is any fracturing or jointing it is likely to be saturated with fresh water. Production comes from the uppermost Pennsylvanian age Goodridge Sand, from very shallow depths (~350') by normal oilfield standards. This area receives a fair amount of recreational use along the river corridor. In recent years there have been citizen, state agency and federal agency environmental inquiries regarding the impacts of petroleum industry activity in the area of the Mexican Hat Field. The Operator proposes a 40' surface casing program for a well designed for 1,500'. The floor of the river is most likely of less elevation than the elevation at 40' of depth. I propose that the operator be required to implement the 10% rule of thumb for casing, which would result in a requirement of 150' of casing being set for a 1,500' well and place the floor of the river above the bottom of the surface casing. A number of underground water rights exist in the protracted sections adjacent to S. 5, T42S, R19E, unfortunately that section is not protracted and no water rights are produced from the Division of Water Rights website search widget. A Lat-Long center was even used by Water Rights personnel to attempt the search but nothing was turned up in S. 5. We must conclude that either any underground water right in that section is unavailable by normal search methods or that there are none in that section.

**Reviewer:** Christopher J. Kierst **Date:** 5/17/06

**Surface:**

On-site conducted May 3, 2006. In attendance: Bart Kettle (DOGM), Clint Howell (San Juan Minerals), Billy Howell (San Juan Minerals) and Allen Nordeen (Surface Owner). Invited and choosing not to attend: Bruce Adams (San Juan County).

Minimal amount of dirt work is planned for access road and well pad. No conditions of Approval recommended.

**Reviewer:** Bart Kettle **Date:** May 10, 2006

**Conditions of Approval/Application for Permit to Drill**

**ON-SITE PREDRILL EVALUATION**  
**Division of Oil, Gas and Mining**

**OPERATOR:** San Juan Minerals Exploration, Inc.  
**WELL NAME & NUMBER:** Dickenson/Howard #1  
**API NUMBER:** 43-037-31845  
**LEASE:** State **FIELD/UNIT:**  
**LOCATION:** 1/4, 1/4 NWSW **Sec:** 5 **TWP:** 42S **RNG:** 19E 1131 FSL 321 FWL  
**LEGAL WELL SITING:** F **SEC. LINE;** F 1/4, 1/4 **LINE;** F **ANOTHER WELL.**  
**GPS COORD (UTM):** X = E; Y = N **SURFACE OWNER:** Fee

**PARTICIPANTS**

Bart Kettle (DOGM), Clint Howell (San Juan Minerals), Billy Howell (San Juan Minerals) and Allen Nordeen (Surface owner).

**REGIONAL/LOCAL SETTING & TOPOGRAPHY**

Proposed location is ~1.25 miles northeast of Mexican Hat, San Juan County, Utah. Topography surrounding the project areas ranges from rolling shale and sandstone hills and benches to a series of cliffs along the San Juan River. Vegetation in the project area is extremely sparse, but is dominated by salt scrub and blackbrush communities. Some riparian communities exist along the narrow channel of the San Juan River within 3/4 of mile of the project area. Access on the project area will be along and existing road that will be up grade at several wash crossing. Drainage is to the east entering the San Juan River ~1 mile away.

**SURFACE USE PLAN**

**CURRENT SURFACE USE:** Wildlife, livestock grazing and oil production.

**PROPOSED SURFACE DISTURBANCE:** 65' x 40'

**LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS:** Many-see GIS layer

**LOCATION OF PRODUCTION FACILITIES AND PIPELINES:** Pump jack will be located on location, production tanks and separator will be located and central production facility.

**SOURCE OF CONSTRUCTION MATERIAL:** On-site

**ANCILLARY FACILITIES:** None required

**WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS?**  
(EXPLAIN): Drilling at this location is not expected to generate significant public concern.

**WASTE MANAGEMENT PLAN:**

A trash can will be placed on location while drilling, and will be emptied at the end of each day as the rig crew leaves location.

Small reserve pit will be built to catch drilling fluids, and will be closed at the completion of drilling.

### **ENVIRONMENTAL PARAMETERS**

AFFECTED FLOODPLAINS AND/OR WETLANDS: No flood plains or wetlands will be affected by building this well pad. Pad construction is not expected to affect the short-term sediment loads into the San Juan River.

FLORA/FAUNA: Mule Deer, cottontail rabbits, black tail jackrabbits, neo-tropical songbirds, lizards, snakes and raptors.

Grasses: Curly galleta. Forbs: Navaho clover, bladder pod, desert trumpet, Russian thistle, desert dandelion, apricot mallow, pennycress. Shrubs: Shadscale, Mormon tea and broom snakeweed. Trees: None noted Other: None noted.

SOIL TYPE AND CHARACTERISTICS: Dark red sandy clay with limestone fragments. Soils are very shallow, with a majority of the surface area comprised of shale.

SURFACE FORMATION & CHARACTERISTICS: Supi. Rolling shale hills and small sandstone ledges with shallow soils.

EROSION/SEDIMENTATION/STABILITY: Project is located in an actively eroding site. Run off can be intense during summer storms, and the hazard of water erosion is moderate. The hazard of soil blowing is moderate. Soils are subject to brief periods of flooding in July to September. Soil erosion will increase during the initial construction phase of the project. Removal of vegetation and physical soil crust will reduce surface soil aggregates and therefore reduce soil stability. As vegetation recovers, and soil crusts are formed soils will become more stable. Wind and water erosion rates would be reduced, but still accelerated from undisturbed sites.

PALEONTOLOGICAL POTENTIAL: None noted

### **RESERVE PIT**

CHARACTERISTICS:

LINER REQUIREMENTS (Site Ranking Form attached): Liner not required

### **SURFACE RESTORATION/RECLAMATION PLAN**

As per surface use agreement

SURFACE AGREEMENT: In place.

CULTURAL RESOURCES/ARCHAEOLOGY: None noted

## OTHER OBSERVATIONS/COMMENTS

Minimal amount of dirt work will be done on the access road and the well pad. Several dry wash crossing will be bladed down sufficient to allow the rig to cross, the remainder of the access road will be used as is. The well pad will not be cut to grade. A small pad may be constructed for the drill rig to sit on, and a small pit will be built to catch drilling fluids.

## ATTACHMENTS

Photos of this location were taken and placed on file.

Bart Kettle  
DOGM REPRESENTATIVE

May 10, 2006 2:41 p.m.  
DATE/TIME



**Evaluation Ranking Criteria and Ranking Score  
For Reserve and Onsite Pit Liner Requirements**

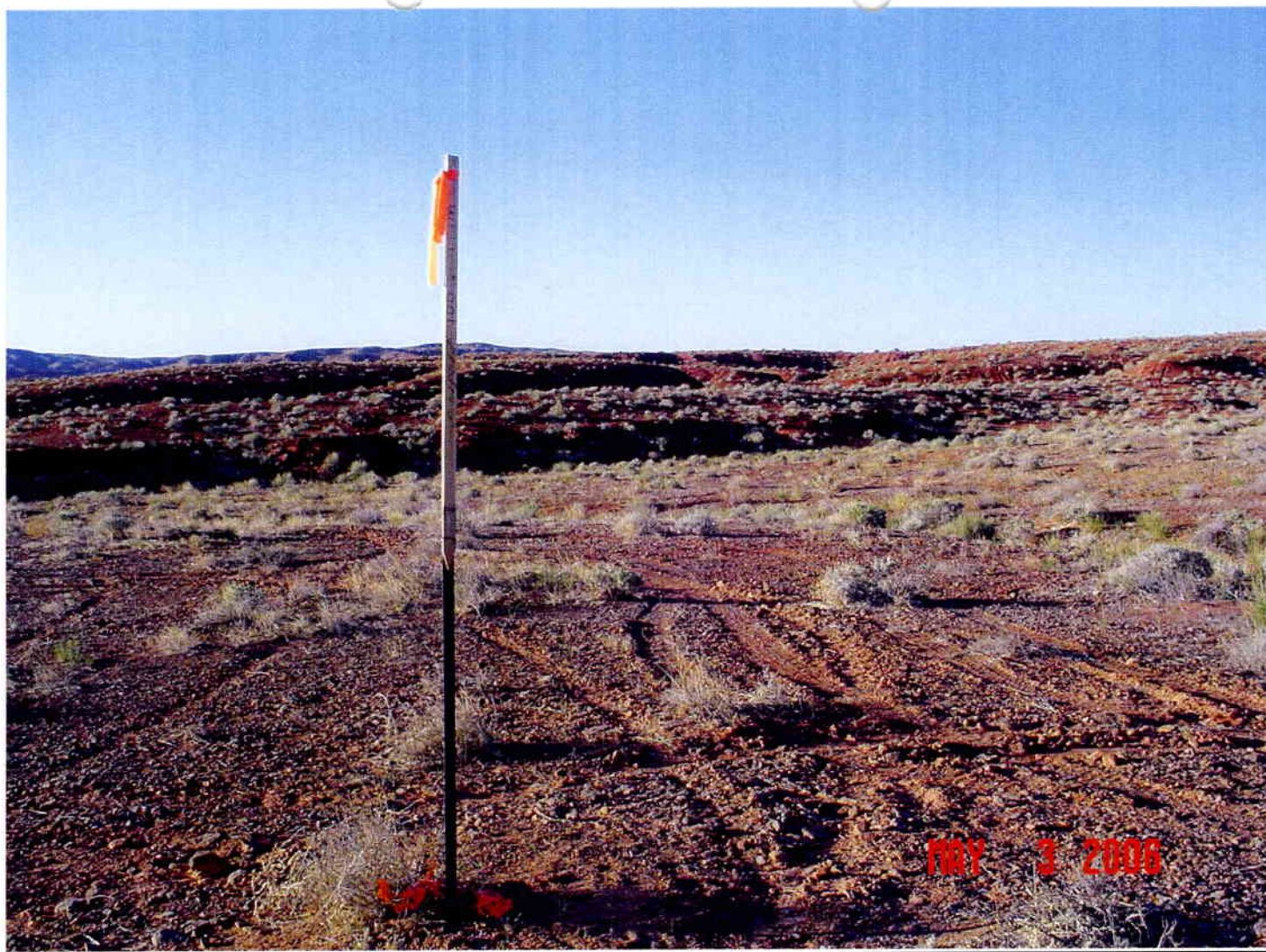
<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>0</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>10</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>0</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>0</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

**Final Score**      10      (Level III Sensitivity)

Sensitivity Level I = 20 or more; total containment is required, consider criteria for excluding pit use.

Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.

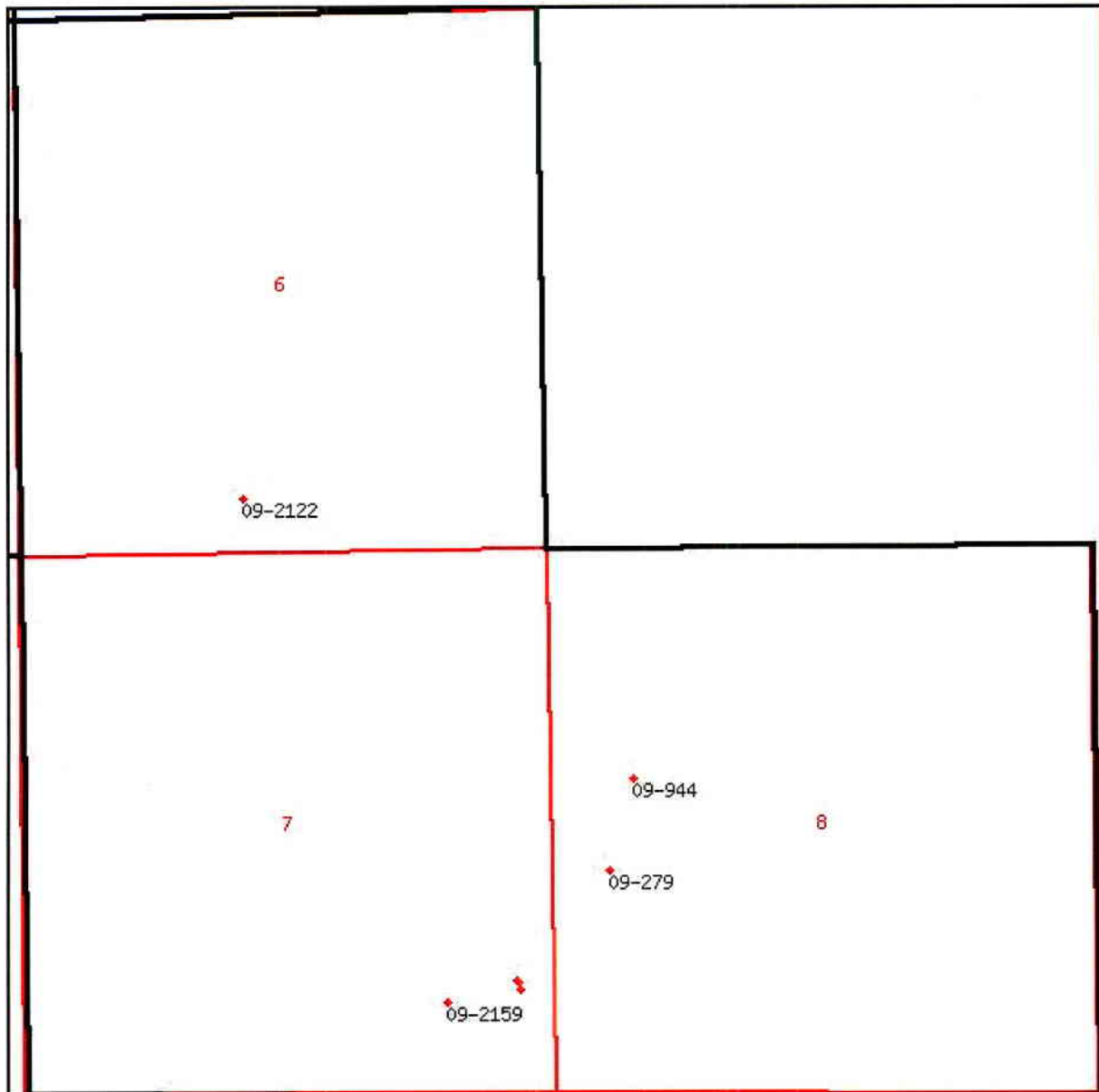




## WRPLAT Program Output Listing

Version: 2004.12.30.00      Rundate: 05/17/2006 04:57 PM

Search of Township 42S, Range 19E, SL b&m Criteria:wrtypes=W,C,E podtypes=U status=U,A,P usetypes=all



Water Rights

WR Number	Diversion Type/Location	Well Log Status	Priority	Uses	CFS	ACFT	Owner
<u>09-168</u>	Underground S1656 W300 E4 07 42S 19E SL	P	19530424	D	0.015	0.000	USA GEOLOGICAL SUR 300 FEDERAL BUILDIN
<u>09-177</u>	Underground S1656 W300 E4 07 42S 19E SL	P	19531230	D	0.015	0.000	GAYLORD L. STAVELE 725 HILL AVENUE
<u>09-178</u>	Underground S4255 W299 NE 07 42S 19E SL	P	19540104	D	0.015	0.000	JOHN C. CAMPBELL 860 - 19TH EAST
<u>09-186</u>	Underground S1584 W316 E4 07 42S 19E SL	P	19550606	DIS	0.055	0.000	SAN JUAN SPECIAL SE P.O. BOX 310486
<u>09-2122</u>	Underground N531 W387 S4 06 42S 19E SL	A	20030715	M	0.000	5.730	SAN JUAN COUNTY P.O. BOX 9
<u>09-2159</u>	Underground N900 W1055 SE 07 42S 19E SL	A	20050302	DIS	0.000	4.730	CLINT HOWELL P.O. BOX 310367
<u>09-270</u>	Underground S486 E558 W4 08 42S 19E SL	P	19600504	DIS	0.100	0.000	SAN JUAN SPECIAL SE P.O. BOX 310486
<u>09-279</u>	Underground S486 E558 W4 08 42S 19E SL	P	19610225	DIS	0.100	0.000	JAMES E. HUNT MEXICAN HAT UT 8451
<u>09-944</u>	Underground S2257 E839 NW 08 42S 19E SL	P	19770817	M	0.127	0.000	SAN JUAN SPECIAL SE P.O. BOX 310486

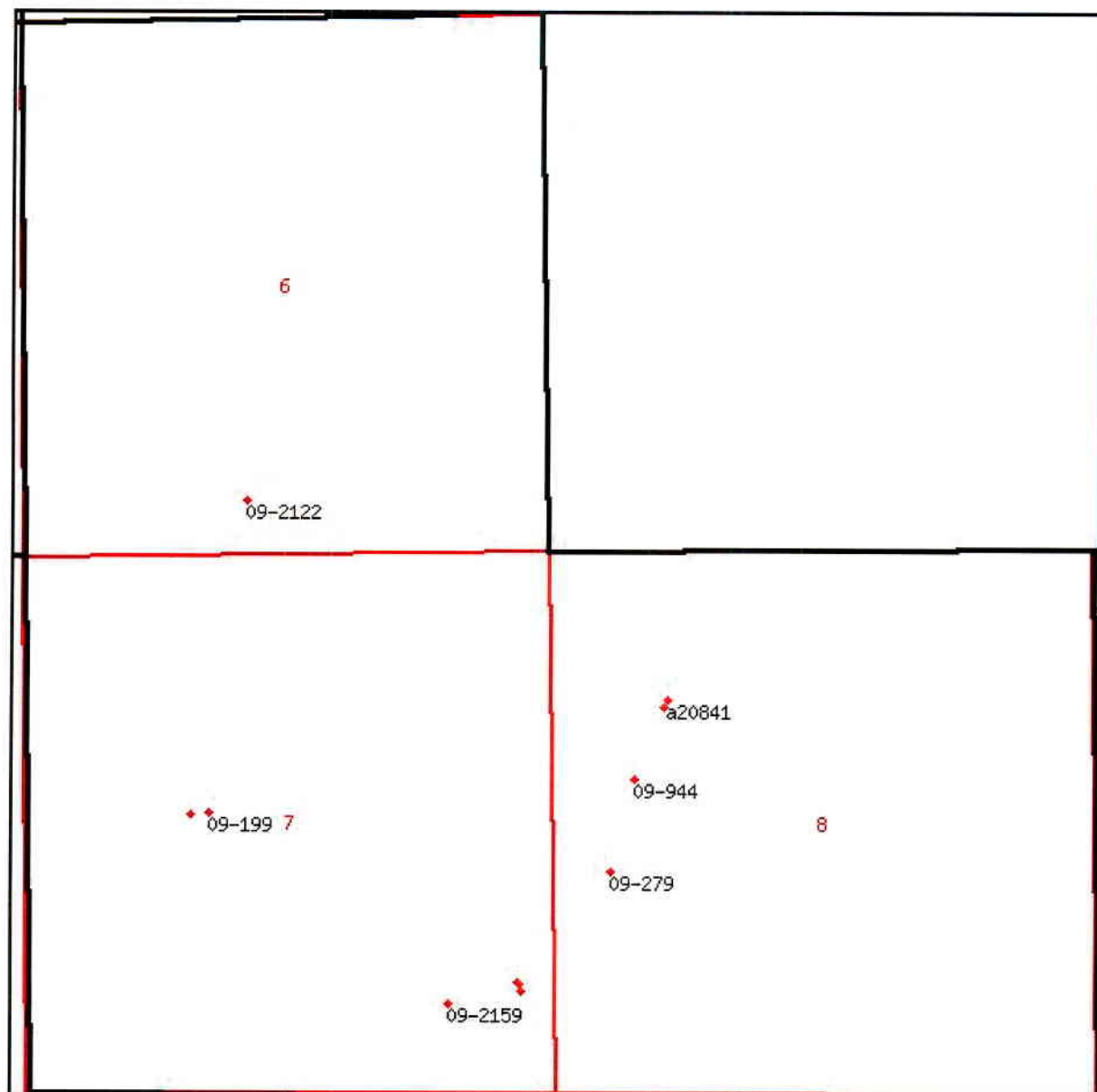
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## WRPLAT Program Output Listing

Version: 2004.12.30.00      Rundate: 05/17/2006 04:55 PM

Search of Township 42S, Range 19E, SL b&m Criteria:wrtypes=W,C,E podtypes=all status=U,A,P usetypes=all



0    710    1420    2130    2840 ft

Water Rights

WR Number	Diversion Type/Location	Well Log	Status	Priority	Uses	CFS	ACFT	Owner Name
<u>09-1558</u>	Surface S2550 E1650 NW 07 42S 19E SL		P	19880115	O	0.000	50.000	M-K FERGUSON CO. FOR USA ENERGY ATTN: ROBERT E. LAWRENCE UMTRA RAC
<u>09-1650</u>	Surface S2550 E1650 NW 07 42S 19E SL		A	19890725	O	0.000	200.000	MK-FERGUSON CO. FOR THE OF ENERGY PO BOX 9136
<u>09-168</u>	Underground S1656 W300 E4 07 42S 19E SL		P	19530424	D	0.015	0.000	USA GEOLOGICAL SURVEY 300 FEDERAL BUILDING
<u>09-177</u>	Underground S1656 W300 E4 07 42S 19E SL		P	19531230	D	0.015	0.000	GAYLORD L. STAVELEY 725 HILL AVENUE
<u>09-178</u>	Underground S4255 W299 NE 07 42S 19E SL		P	19540104	D	0.015	0.000	JOHN C. CAMPBELL 860 - 19TH EAST
<u>09-186</u>	Underground S1584 W316 E4 07 42S 19E SL		P	19550606	DIS	0.055	0.000	SAN JUAN SPECIAL SERVICE P.O. BOX 310486
<u>09-199</u>	Surface S2600 W3324 NE 07 42S 19E SL		P	19560601	DIO	3.330	0.000	U.S. DEPARTMENT OF ENERGY OF AMERICA 2597 B 3/4 ROAD
<u>09-2122</u>	Underground N531 W387 S4 06 42S 19E SL		A	20030715	M	0.000	5.730	SAN JUAN COUNTY P.O. BOX 9
<u>09-2159</u>	Underground N900 W1055 SE 07 42S 19E SL		A	20050302	DIS	0.000	4.730	CLINT HOWELL P.O. BOX 310367
<u>09-270</u>	Underground S486 E558 W4 08 42S 19E SL		P	19600504	DIS	0.100	0.000	SAN JUAN SPECIAL SERVICE P.O. BOX 310486
<u>09-279</u>	Underground S486 E558 W4 08 42S 19E SL		P	19610225	DIS	0.100	0.000	JAMES E. HUNT MEXICAN HAT UT 84511
<u>09-944</u>	Underground S2257 E839 NW 08 42S 19E SL		P	19770817	M	0.127	0.000	SAN JUAN SPECIAL SERVICE P.O. BOX 310486
<u>a20841</u>	Surface S1546 E1124 NW 08 42S 19E SL		A	19970220	M	0.000	400.000	SAN JUAN COUNTY SPECIAL NO. 1 P.O. BOX 310486
<u>a20841</u>	Surface S1472 E1156 NW 08 42S 19E SL		A	19970220	M	0.000	400.000	SAN JUAN COUNTY SPECIAL NO. 1 P.O. BOX 310486



State Online Services

Agency List

Business.utah.gov

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GO

# UTAH DIVISION OF WATER RIGHTS

## WRPLAT Point of Diversion Query Program

Version: 2004.12.30.00

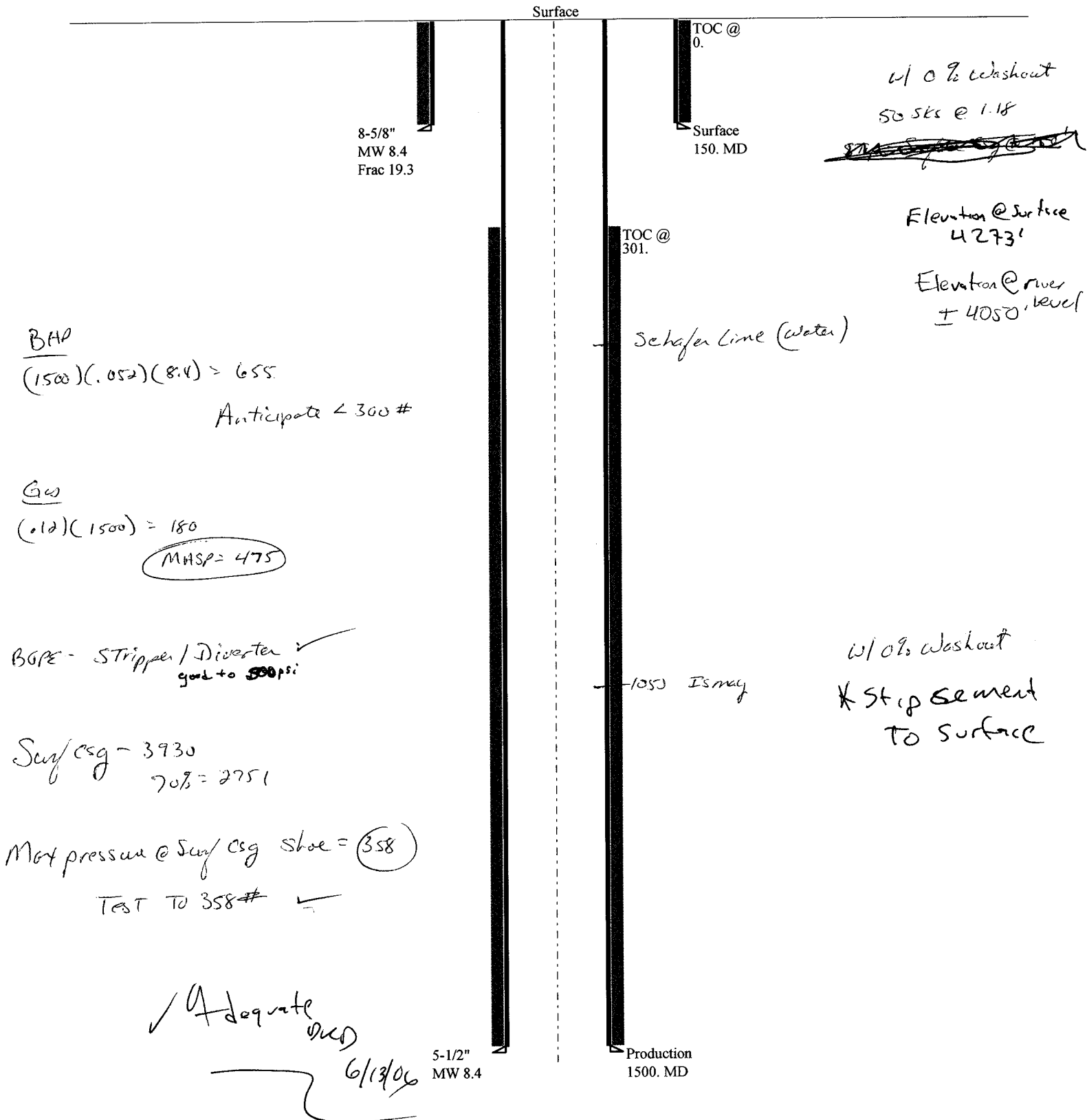
Rundate: 05/17/2006 04:17 PM

## Unknown Location. Terminating

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05-06 Wesgra Dickenson/Howard 1  
Casing Schematic





Well name: <b>05-06 Wesgra Dickenson/Howard 1</b>	
Operator: <b>San Juan Minerals Exploration, Inc</b>	Project ID: <b>43-037-31845</b>
String type: <b>Surface</b>	
Location: <b>San Juan County</b>	

**Design parameters:**

**Collapse**

Mud weight: 8.400 ppg  
Design is based on evacuated pipe.

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**

H2S considered? No  
Surface temperature: 65 °F  
Bottom hole temperature: 67 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 40 ft

Cement top: Surface

**Burst**

Max anticipated surface pressure: -2 psi  
Internal gradient: 0.447 psi/ft  
Calculated BHP 65 psi

No backup mud specified.

**Tension:**

8 Round STC: 1.80 (J)  
8 Round LTC: 1.80 (J)  
Buttress: 1.60 (J)  
Premium: 1.50 (J)  
Body yield: 1.50 (B)

Tension is based on air weight.  
Neutral point: 131 ft

Non-directional string.

**Re subsequent strings:**

Next setting depth: 1,500 ft  
Next mud weight: 8.400 ppg  
Next setting BHP: 655 psi  
Fracture mud wt: 19.250 ppg  
Fracture depth: 150 ft  
Injection pressure 150 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	150	8.625	32.00	J-55	ST&C	150	150	7.875	9.5
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	65	2530	38.653	65	3930	60.04	5	372	77.50 J

Prepared by: Clinton Dworshak  
Utah Div. of Oil & Mining

Date: May 22, 2006  
Salt Lake City, Utah

**ENGINEERING STIPULATIONS: NONE**

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.  
Collapse is based on a vertical depth of 150 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes.  
Burst strength is not adjusted for tension.

*Engineering responsibility for use of this design will be that of the purchaser.*

Well name:	<b>05-06 Wesgra Dickenson/Howard 1</b>		
Operator:	<b>San Juan Minerals Exploration, Inc</b>		
String type:	<b>Production</b>	Project ID:	<b>43-037-31845</b>
Location:	<b>San Juan County</b>		

**Design parameters:**
**Collapse**

Mud weight: 8.400 ppg  
Design is based on evacuated pipe.

**Minimum design factors:**
**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**

H2S considered? No  
Surface temperature: 65 °F  
Bottom hole temperature: 86 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 368 ft

Cement top: 301 ft

**Burst**

Max anticipated surface pressure: -16 psi  
Internal gradient: 0.447 psi/ft  
Calculated BHP 655 psi

No backup mud specified.

**Tension:**

8 Round STC: 1.80 (J)  
8 Round LTC: 1.80 (J)  
Buttress: 1.60 (J)  
Premium: 1.50 (J)  
Body yield: 1.50 (B)

Non-directional string.

Tension is based on air weight.

Neutral point: 1,309 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	1500	5.5	17.00	J-55	ST&C	1500	1500	4.767	51.7
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	655	4910	7.502	655	5320	8.13	25	229	8.98 J

Prepared by: Clinton Dworshak  
Utah Div. of Oil & Mining

Date: May 22,2006  
Salt Lake City, Utah

**ENGINEERING STIPULATIONS: NONE**

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Collapse is based on a vertical depth of 1500 ft, a mud weight of 8.4 ppg The casing is considered to be evacuated for collapse purposes.

Burst strength is not adjusted for tension.

*Engineering responsibility for use of this design will be that of the purchaser.*

**SAN JUAN MINERALS EXPLORATION INC.**

Hwy 163/ Riverview Dr.  
P.O. Box 310367  
Mexican Hat, UT. 84531

April 5 2006

Phone: 435-683-2298  
Fax: 775-854-1138  
E-mail: ch1aj@yahoo.com

TO : State of Utah  
Division of Oil Gas and Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
Attn: Brad Hill.  
801-538-5315

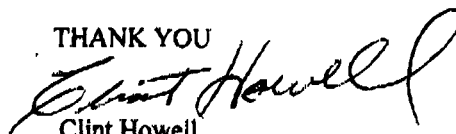
As per our phone conversation, Requesting Exception to State wide sighting Rule  
San Juan Minerals Exploration has control of all leases on the Nordeen Oil property in the Mexican Hat field  
Located in the following sections (31 & 32 T. 41. S., R 19 E. S. L. M.)  
( 5 & 6 T. 42. S., R 19 E.) Containing 896.53 acres  
This would Mean we have control of leases within 460' of the Dickenson /Howard # 1 location

The Reason for this request , the proposed location was picked because of Geological preference .

Enclosed also :

Letter From Allen Nordeen, Nordeen Family Properties LLC Manager Stating San Juan Minerals Exploration Has access to ,  
Drill on the Nordeen Properties

THANK YOU

  
Clint Howell  
San Juan Minerals Exploration

RECEIVED

APR 10 2006

DIV. OF OIL, GAS & MINING

FROM : NORDEEN

FAX NO. : 623 582 0639

Mar. 29 2006 04:41PM P2

**NORDEEN FAMILY PROPERTIES, LLC  
4914 W HACKAMORE DRIVE  
GLENDALE, ARIZONA 85310  
623-582-9671**

3/29/06

**To Whom it may concern:**

**The Mexican Hat properties listed in exhibit A , page 2 are the properties of the Nordeen Family Properties LLC currently, and formerly of the A. D. Nordeen properties LLC. Both Limited liability Companies are under the same manager Allen F. Nordeen.**

**Please be advised that the company San Juan Minerals of Mexican Hat, Utah , current owner Clint Howell, has the mineral rights by current lease to drill on the property listed on exhibit A. If there are any questions or documents needed as proof of this statement please feel free to contact me.**

**Thank You,**

  
**Allen F. Nordeen  
Nordeen Family Properties LLC Manager**

**RECEIVED****APR 10 2006****DIV. OF OIL, GAS & MINING**

RECORDING REQUESTED BY:  
Attorney David J. McCauley III

WHEN RECORDED MAIL To:  
McCauley Law Office  
6638 E. Ashler Hills Drive  
Cave Creek, AZ 85331

FILED OCT-11-2005 9:27am  
Fees \$0.00 Check  
L. C. JONES, Recorder  
Filed by SA  
For STEVE SIMPSON  
SAN JUAN COUNTY CORPORATION

787

Space Above for Recorder

**WARRANTY DEED**

Allen F. Nordeen, managing member of A. D. NORDEEN PROPERTIES,  
L.L.C.

hereby remits, releases and forever warranties to:

NORDEEN FAMILY PROPERTIES, L.L.C.

the following real property in San Juan County, State of Utah:

SEE ATTACHED EXHIBIT A.

To have and hold the same, together with all and the singular the appurtenances and privileges thereunto belonging, or in any way appertaining, and all the estate, right, title, interest and claim whatsoever of, the Grantor, either in law or equity, in possession or expectancy to the only proper use, benefit and behalf of the Grantees, the Grantees' heirs, successors and assigns, forever subject to current taxes, and other assessments, reservations in patents, and all easements, rights of way, encumbrances, liens, covenants, conditions, restrictions, obligations and liabilities as may appear of record, and the Grantor warrants the title against all persons whomsoever.

In witness whereof the Grantor, Allen F. Nordeen as managing member of A. D. NORDEEN PROPERTIES, L.L.C., executes this Warranty Deed on this 15<sup>th</sup> day of September, 2005.

By: 

ALLEN F. NORDEEN  
Managing Member

SA-4500

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APR 10 2006

DIV. OF OIL, GAS &amp; MINING

FROM : NORDEEN

STATE OF ARIZONA

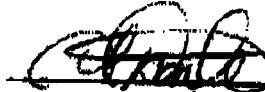
FAX NO. : 623 582 0638

Mar. 29 2006 04:42PM P4

County of Maricopa )

I hereby certify that Allen F. Nordeen, Managing Member of A. D. Properties, LLC, known to me to be the person who executed the foregoing instrument, appeared before me this day in person and after being duly sworn, acknowledged that he executed the instrument as his free and voluntary act, for the uses and purposes therein stated and he appeared to be of sound mind and 18 years old or older.

Given under my hand and official seal this 15 day of September, 2005.

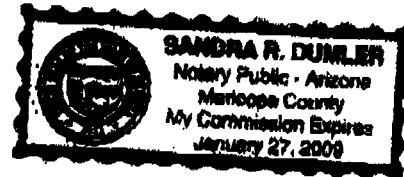


(NOTARY PUBLIC)

My Commission expires: 1-27-09

## MAIL TAX STATEMENTS TO:

Allen F. Nordeen, Trustee  
The Nordeen Family Trust  
914 W. Hackamore Drive  
Glendale, AZ 85310



RECEIVED

APR 10 2006

DIV. OF OIL, GAS &amp; MINING

FROM : NORDEEN

FAX NO. : 623 382 0638

Mar. 29 2006 04:42PM P5

EXHIBIT A

RED BED NO. 2 Placer Mining Claim, Survey No. 6661  
located in Section 31 and Section 32, T. 41 S.,  
R. 19 E., S.L.M. and in Section 5 and Section 6,  
T. 42 S., R. 19 E., S.L.M. (160 acres more or less)

RED BED No. 3 Placer Mining Claim, Survey No. 6661  
located in Section 5, T. 42 S., R. 19 E., S.L.M.  
(160 acres more or less)

RED BED No. 4 Placer Mining Claim, Survey No. 6653  
located in Section 5 and Section 6, T. 42 S., R. 19 E.,  
S.L.M. (104.85 acres more or less)

RED BED No. 5 Placer Mining Claim, Survey No. 6653  
located in Section 6, T. 42 S., R. 19 E., S.L.M.  
(49.43 acres more or less)

RED BED No. 6 Placer Mining Claim, Survey No. 6653  
located in Section 31, T. 41 S., R. 19 E., and  
Section 6, T. 42 S., R. 19 E., S.L.M. (122.958 acres  
more or less)

JOHNEY No. 4 Placer Mining Claim, Survey No. 6653  
located in Section 6, T. 42 S., R. 19 E., and in  
Section 1, T. 42 S., R. 18 E., S.L.M. (153.15 acres  
more or less)

1907 Placer Mining Claim, Survey No. 6661, located  
in Sections 5, 6, 7 and 8, T. 42 S., R. 19 E., S.L.M.  
(157.52 acres more or less)

Total acreage 907.90 less 11.55 acres sold to Utah State  
Highway Department February 7, 1961 or 896.35 acres.

Together with all and singular the tenements, hereditaments  
and appurtenances thereunto belonging or in anywise apper-  
taining.

RECEIVED

APR 10 2006

DIV. OF OIL, GAS &amp; MINING

# SAN JUAN MINERALS EXPLORATION INC.

Hwy 163 / Riverview Dr.  
P.O. Box 310367  
Mexican Hat, UT. 84531

EXHIBIT # 1

Ph. 435-683-2298  
Fax: 775-854-1138

Well # Dickinson / Howard # 1

SURFACE FORMATION  
ESTIMATED FORMATION TOPS

SUPI	350'	
GOODRIDGE	420'	possible water zone
SCHAFER LIME	500'	
MENDENHALL	750'	
LITTLELOOP	1050'	
ISMAY	1200'	
UPPER DESERT CREEK	1280'	
GOTHIC SHALE	1380'	
LOWER DESERT CREEK		

PROPOSED DEPTH 1500' TD.

PRESSURE EQUIPMENT  
CIRCULATING MATERIAL  
TESTING OR LOGGING  
ABNORMAL PRESSURES OR TEMPERATURES  
ESTIMATED STARTING TIME

NOT NEEDED ( LOW PRESSURE ZONES )  
AIR-FOAM  
SAMPLES ONLY  
NONE EXPECTED  
SOON AFTER APPROVAL



# MEXICAN HAT SPECIAL SERVICE DISTRICT

P.O. Box 310426  
Mexican Hat, Utah 84531

Ph. 435-682-2222

**STATE OF UTAH**  
**Department of Natural Resources**  
**Division of Oil Gas and Mining**  
**1594 West North Temple, Suite 1210**  
**Salt Lake City, UT.84114-5801**

EXIBIT #2

Subject: San Juan Minerals Exploration Inc.

Gentleman:

San Juan Minerals Exploration Inc., Mexican Hat, Utah, has requested and received authorization from the undersigned to use culinary water from the township of Mexican Hat, Utah , For the purpose of drilling oil wells

Very Truly yours,

MEXICAN HAT SPECIAL SERVICE DISTRICT



Robert Mueller ,

President

## **SAN JUAN MINERALS EXPLORATION , INC.**

Hwy 163 / Riverview Dr.  
P.O. Box 310367  
Mexican Hat, UT. 84531

March 6 2006

EXIBIT # 5

Ph. 435-683-2298  
Fax:775-854-1138

Well # Dickenson / Howard # 1

### **APD Checklist # 7 & 10**

#### **7. Plan for pressure control**

The Wesgra Corporation , Which I also own & operate has drilled several holes , ( 6 or 7) in past years to the Desert Creek zones, all the previous D.C test's were on B L M Leases UTU 7303 in the Mexican Hat field The B L M required a B P O E on the first three D. C. Test Wells to verify the bottom hole pressures which Turned out to be very minimal ( less than three hundred pounds ) Robert E. Lauth , a Geologist from Durango, Colorado who has done extensive study on the Mexican Hat Field reported Due to the shallow depths to the D.C. Zone's , bottom hole pressures would be very low (est. less than three hundred pounds ) thre B L M Did not require a B P O E After the first three Test's.

We used a stripper /Diverter attached to the surface casing for the rest of the holes, I would like to use this same System on future D. C test wells.

THANK YOU

APD Checklist # 16

EXHIBIT # 6

NORDEEN PROPERTIES;

RED BED No.2, Survey No. 6661 in SE/4, SE/4, See 31 and S<sup>1</sup>/<sub>4</sub>, SW<sup>1</sup>/<sub>4</sub>, See 32, an in T 4] S, R19E, S.L.;\;l and ~\V, '-+. :~W/4, Se;:e 5. and ~E/4, ~E/4 St:C 6. T 42S, R 19E, S.L.Jl, containing 160 acres more or less;

RED BED No.3, Survey 6661 in E/2, NW<sup>1</sup>/<sub>4</sub>, W<sup>1</sup>/<sub>2</sub>, NE/4, i<sup>1</sup>/<sub>4</sub>Y4, SW<sup>1</sup>/<sub>4</sub> and NW/4, SFJ4, See 5, T. 42S, R19E, S-L.:~\ll., containig 160 acres more or les.<;;

P...ED BED Xo. 4, Survey 6653 in SW/-t, NV<sup>1</sup>/<sub>4</sub>-, ~T'~;I~t, S''~/-4 See 5, and SEt-t. NE/4. NE/4. i\,f:4, S<sup>1</sup>/<sub>4</sub>, See 6, l -tl.S, K 19h.. \$.1 <\;1., oonlaining 104.85 acr~ more or less;

RED BED :~o. 5, Swvey No. 6653 in S W/4, NE/4, and NW<sup>1</sup>/<sub>4</sub>, SEi4, See 6, T. 428, R 19E, SL\l., containing 49.43 acres more or less;

RED BED No.6. Survey No. 6653m SE/4, SW/4, SWi4, SE/4 See 31, T 41S, R 19E, and ?..""E/4, ~"1V/4 and }j\..V!4, :..""E!4, See 6 T 428 R 19E, SLvf, containing 122.958 acres more or less, ?wo\ljded. that smd tract is "ot under a fannout or other agreement;

JOfu"iEY No.4, Survey No. 6653 in S/2. NWi4. and Nil" SW/4, See 6 T 42S, R 19E and SEi4, :-""Ei4 and NE/4, SEi4, See 1, T 42S R 18E, S.L.f\I., containing 153.15 acres more or less;

J907 PLACER, Survey No. 6661, in Sections 5, 6, 7, and 8~ T 42S, R J9E, S.L.:M., containing 157.52 acres mOl";; oll~.

# **SAN JAUN MINERALS EXPLORATION, INC.**

Hwy 163 / Riverview Dr.  
P.O. Box 310367  
Mexican Hat, UT. 84531

March 6 2006

EXIBIT # 7

Ph. 435-653-2298  
FAX: 775-854-1138

Well # Dickenson / Howard # 1

APD Checklist # 2

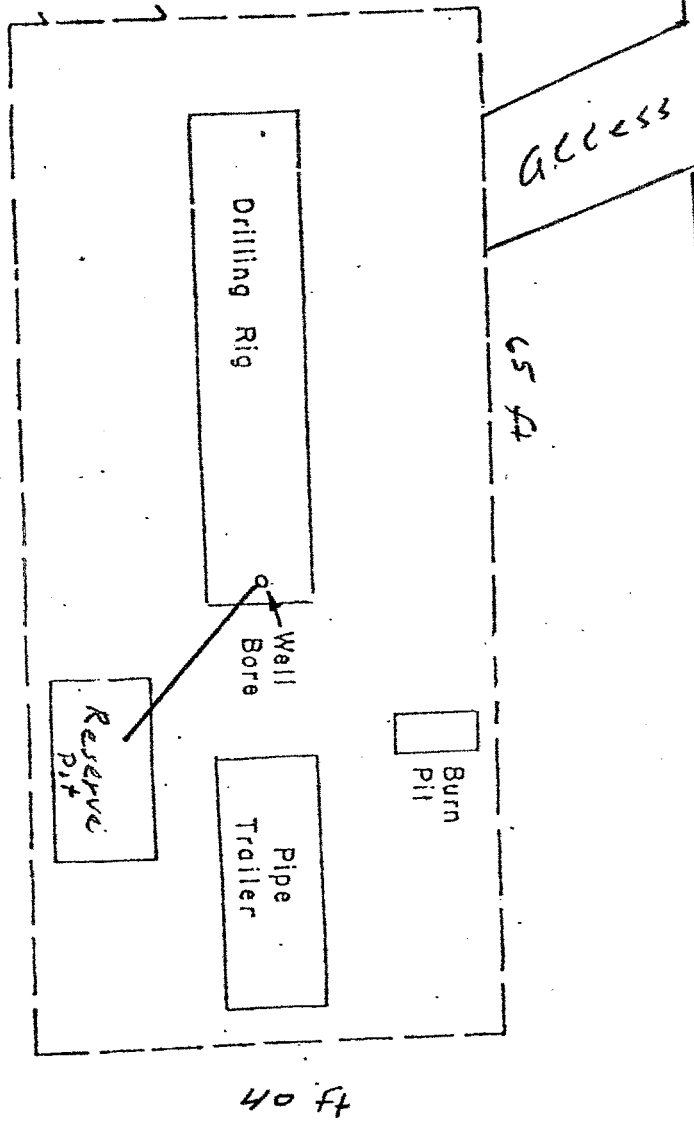
# 2

Surface Owner Information

Mr. Allen Nordeen  
491 West Hackamore  
Glendale, AZ. 85310

Ph. 623-582-9671

Exhibit # 4



Preserved road

WELL SITE LAYOUT

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: San Juan Minerals Exploration Inc. <u>N0810</u>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: Hwy 163 P.O. Box 310367 Mexican Hat Ut 84531		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: _____ QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____		8. WELL NAME and NUMBER: see attached list
PHONE NUMBER: (435) 683-2298		9. API NUMBER:
COUNTY: San Juan		10. FIELD AND POOL, OR WILDCAT: Mexican Hat
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>change of operator</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

San Juan Minerals Exploration Inc. is transferring operation of its oil wells in San Juan County at Mexican Hat, (see attached List ) To: Wesgra Corporation P.O. Box 310367 Mexican Hat Ut. 84531.  
Wesgra Corporation Is Bonded By Letter of credit # 7230.  
Would like to make this change effective as of April 30 2006

Wesgra Corporation:  
by: Clint Howell

President N1060

April /20/ 2006

NAME (PLEASE PRINT) Clint Howell

TITLE President

SIGNATURE Clint Howell

DATE 4/20/2006

(This space for State use only)

APPROVED 513106

Earlene Russell  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

RECEIVED

APR 24 2006

DIV. OF OIL, GAS & MINING

San Juan Minerals (N0810) to Wesgra Corporation (N1060)

well name	api	qtr	qtr	sec	twsp	rng	well	stat	l_num
GEBAUER FEDERAL 2	4303730190	SENE	07	420S	190E	OW	S		UTU-7303
SUTHERLAND FEDERAL 97-4	4303731784	NESW	05	420S	190E	OW	S		UTU-7303D
NORDEEN 1	4303720721	NENW	05	420S	190E	OW	S		FEE
NORDEEN 5	4303720722	SWNW	05	420S	190E	OW	P		FEE
NORDEEN 3	4303730149	NENW	05	420S	190E	OW	P		FEE
WILM RNCH GDRDGE 12	4303730432	NWNW	08	420S	190E	OW	P		FEE
GOODRIDGE 74	4303730526	NWNW	08	420S	190E	OW	S		FEE
GOODRIDGE 75	4303730527	NWNW	08	420S	190E	OW	S		FEE
GOODRIDGE 80.2	4303730561	NWNW	08	420S	190E	OW	P		FEE
GOODRIDGE 80.3	4303730562	NWNW	08	420S	190E	OW	P		FEE
GOODRIDGE 80.4	4303730563	NWNW	08	420S	190E	OW	P		FEE
GOODRIDGE 80.1	4303730570	NWNW	08	420S	190E	OW	S		FEE
NORDEEN 80.7	4303730584	SESW	05	420S	190E	OW	P		FEE
NORDEEN 80.6	4303730585	SESW	05	420S	190E	OW	S		FEE
GOODRIDGE 80.5	4303730680	NWNW	08	420S	190E	OW	P		FEE
NORDEEN 81-4	4303730957	SWSW	05	420S	190E	OW	S		FEE
NORDEEN 81-5	4303730958	SWSW	05	420S	190E	OW	S		FEE
GOODRIDGE 81-3	4303730960	SENE	07	420S	190E	OW	S		FEE
J & L 3	4303731207	NWSW	06	420S	190E	OW	TA		FEE
NORDEEN 86-6	4303731254	SENE	05	420S	190E	OW	S		FEE
GOODRIDGE 91-2	4303731605	SENE	07	420S	190E	OW	S		FEE
GOODRIDGE 91-7	4303731613	SWNW	08	420S	190E	OW	S		FEE
GOODRIDGE 91-16	4303731634	NENE	07	420S	190E	OW	S		FEE
GOODRIDGE 91-12	4303731637	NENE	07	420S	190E	OW	S		FEE
GOODRIDGE 1	4303731647	SENE	07	420S	190E	OW	S		FEE
J&L 3-X	4303731669	NESW	06	420S	190E	OW	S		FEE
DICKENSON/HOWARD 1	4303731845	NWSW	05	420S	190E	OW	NEW		FEE
UTAH 1	4303730101	NWSW	07	420S	190E	OW	PA		FEE
NELWYN A NORDEEN 2	4303730104	SENE	05	420S	190E	OW	PA		FEE
NELWYN NORDEEN 3	4303730108	SENE	05	420S	190E	OW	PA		FEE
NORDEEN 1A	4303730128	NENW	06	420S	190E	OW	PA		FEE
NORDEEN 2-A	4303730161	NENW	06	420S	190E	OW	PA		FEE
NORDEEN 7	4303730194	NENW	05	420S	190E	OW	PA		FEE
NORDEEN 11	4303730480	SWSW	05	420S	190E	D	PA		FEE
NORDEEN 80.13	4303730581	SESW	05	420S	190E	D	PA		FEE
GOODRIDGE 81-1	4303730961	SWNW	08	420S	190E	OW	PA		FEE
GOODRIDGE 71	4303730968	NWNW	08	420S	190E	D	PA		FEE
NORDEEN 86-4	4303731253	SENE	05	420S	190E	OW	PA		FEE
NORDEEN 86-8	4303731255	SWNE	05	420S	190E	OW	PA		FEE
NORDEEN 86-10	4303731256	SENE	05	420S	190E	OW	PA		FEE
CROSSING NO 2 8	4303731445	SWSE	07	420S	190E	OW	PA		FEE
CROSSING NO 2 12	4303731446	SWSE	07	420S	190E	OW	PA		FEE
GOODRIDGE 91-10	4303731609	NENE	07	420S	190E	OW	PA		FEE
GOODRIDGE 91-5	4303731611	SENE	07	420S	190E	D	PA		FEE
GOODRIDGE 91-4	4303731614	SENE	07	420S	190E	OW	PA		FEE
GOODRIDGE 2	4303731640	NWNW	08	420S	190E	OW	PA		FEE
GOODRIDGE 92-3	4303731652	NWNE	07	420S	190E	OW	PA		FEE

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

**Request to Transfer Application or Permit to Drill**

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

<b>Well name:</b>	Dickinson / Howard # 1
<b>API number:</b>	43-037-31845
<b>Location:</b>	NWSW 5 42S 19E
<b>Company that filed original application:</b>	San Juan Minerals Exploration Inc.
<b>Date original permit was issued:</b>	
<b>Company that permit was issued to:</b>	

Check one	Desired Action:
<input checked="" type="checkbox"/>	<b>Transfer pending (unapproved) Application for Permit to Drill to new operator</b>
	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.
<input type="checkbox"/>	<b>Transfer approved Application for Permit to Drill to new operator</b>
	The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.	Yes	No
If located on private land, has the ownership changed?		<input checked="" type="checkbox"/>
<input type="checkbox"/> If so, has the surface agreement been updated?		<input checked="" type="checkbox"/>
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?		<input checked="" type="checkbox"/>
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?		<input checked="" type="checkbox"/>
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?		<input checked="" type="checkbox"/>
Has the approved source of water for drilling changed?		<input checked="" type="checkbox"/>
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?		<input checked="" type="checkbox"/>
Is bonding still in place, which covers this proposed well? Bond No. 7553401733	<input checked="" type="checkbox"/>	

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Name (please print) Clint Howell Title President  
 Signature *Clint Howell* Date 04/26/2006  
 Representing (company name) Wesgra Corporation

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

(3/2004)

**RECEIVED**

**APR 26 2006**

DIV. OF OIL, GAS & MINING







## State of Utah

### Department of Natural Resources

MICHAEL R. STYLER  
*Executive Director*

### Division of Oil, Gas & Mining

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

June 15, 2006

Wesgra Corporation  
P O Box 310367  
Mexican Hat, UT 84531

Re: Dickenson/Howard 1 Well, 1131' FSL, 321' FWL, NW SW, Sec. 5,  
T. 42 South, R. 19 East, San Juan County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-037-31845.

Sincerely,

A handwritten signature in black ink, appearing to read "Gil Hunt".

Gil Hunt  
Associate Director

pab  
Enclosures

cc: San Juan County Assessor

Operator: Wesgra Corporation  
Well Name & Number Dickenson/Howard 1  
API Number: 43-037-31845  
Lease: Fee

Location: NW SW Sec. 5 T. 42 South R. 19 East

### Conditions of Approval

1. **General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. **Notification Requirements**

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. **Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

5. Cement volumes for the 8 5/8" and 5 1/2" casing strings shall be determined from actual hole diameters in order to place cement from the pipe setting depths back to the surface.

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>NORDEEN FEE</b>
2. NAME OF OPERATOR: <b>WESGRA CORPORATION</b>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: P.O. Box 310367 Mexican Hat UT 84531		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (435) 883-2263		8. WELL NAME and NUMBER: <b>DICKENSON / HOWARD # 1</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>1131' FSL, 321' FWL,</b>		9. API NUMBER: <b>4303731845</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWSW 5 42S 19E</b>		10. FIELD AND POOL, OR WILDCAT: <b>MEXICAN HAT</b>

COUNTY: **San Juan**STATE: **UTAH**

## 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input checked="" type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

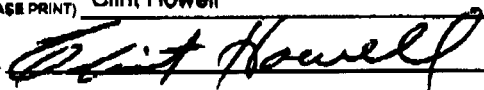
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Would like to change Dickenson / Howard # 1 well name to: Howard # 1

THANK YOU

NAME (PLEASE PRINT) Clint HowellTITLE President

SIGNATURE

DATE 8/3/2006

(This space for State use only)

**RECEIVED****AUG 03 2006**

DIV. OF OIL, GAS &amp; MINING

## DIVISION OF OIL, GAS AND MINING

### **SPUDDING INFORMATION**

Name of Company: WESGRA CORPORATION

Well Name: HOWARD 1

Api No: 43-037-31845 Lease Type: FEE

Section 05 Township 42S Range 19E County SAN JUAN

Drilling Contractor QUALITY DRILLING RIG #

### **SPUDDED:**

Date 09/06/06

Time

How DRY

**Drilling will Commence:**

Reported by CLINT HOWELL

Telephone # (435) 683-2263

Date 09/06/06 Signed CHD

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: WESGRA CORPORATION Operator Account Number: N 1060  
 Address: P.O. Box 310367  
city Mexican Hat  
state UT zip 84531 Phone Number: (435) 683-2298

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
03731845	Howard # 1		NWSW	5	42S	19E	SAN JUAN
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	15638	9/1/2006		9/14/06		
Comments: <u>DSCR</u>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Clint Howell  
 Name (Please Print)  
Clint Howell  
 Signature  
President Title  
09-14-2006 Date

RECEIVED

SEP 14 2006

DIV. OF OIL, GAS &amp; MINING

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: NORDEEN FEE
2. NAME OF OPERATOR: WESGRA CORPORATION		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: P.O. Box 310367 CITY MEXICAN HAT STATE UT ZIP 84531		7. UNIT or CO AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1131'FSL,321'FWL, QTR/CTR. SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 5 42S 19E		8. WELL NAME and NUMBER: HOWARD # 1
PHONE NUMBER: (435) 683-2263		9. API NUMBER: 037-31845
		10. FIELD AND POOL, OR WILDCAT: MEXICAN HAT
		COUNTY: SAN JUAN
		STATE: UTAH

## 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 10/4/2008	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input checked="" type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
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	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

PLUG BACK FROM 1400' TD TO 1220' WITH CEMENT SLURRY (45 BAGS)  
CHANGE CASING SIZE FROM 5 1/2" 17 LB TO 1100' 4 1/2" 15 LB. WITH 20, 5 1/2" ON TOP  
CIRCULATE CEMENT TO SURFACE

COPY SENT TO OPERATOR  
Date: 10-10-06  
Initials: RM

NAME (PLEASE PRINT) CLINT HOWELL

TITLE PRES.

SIGNATURE

DATE 10/4/2008

(This space for State use only)

APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING

(5/2000)

(See Instructions on Reverse Side)

DATE: 10/6/06

BY: [Signature]

RECEIVED

OCT 2 2006

DIV. OF OIL, GAS &amp; MINING

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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1. TYPE OF WELL

OIL WELL ☒

GAS WELL ☐

OTHER \_\_\_\_\_

2. NAME OF OPERATOR:

WESGRA CORPORATION

3. ADDRESS OF OPERATOR:

P.O. Box 310367

CITY Mexican Hat

STATE UT

ZIP 84531

PHONE NUMBER:

(435) 683-2298

5. LEASE DESIGNATION AND SERIAL NUMBER:

NORDEEN FEE

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

HOWARD # 1

9. API NUMBER:

4303731845

10. FIELD AND POOL, OR WILDCAT:

MEXICAN HAT

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1131'FSL, 321'FWL

COUNTY: San Juan

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 5 42S 19E

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Plan to plug and abandon  
this well seems to be non productive

plug from TD 1180' to surface with class A slurry 100 sacks type 2 cement

Would like to plug soon after approval

RECEIVED

APR 23 2007

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Clint Howell

TITLE President

SIGNATURE



DATE 4/19/2007

(This space for State use only)

APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING

DATE: 4/30/07

BY: 

(See Instructions on Reverse Side)

\* See conditions of Approval (attached)

COPY SENT TO OPERATOR

Date: 5/1/07

Initials: CHD





**State of Utah**  
**Department of**  
**Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of**  
**Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

***CONDITIONS OF APPROVAL***  
***TO PLUG AND ABANDON WELL***

Well Name and Number: Howard # 1  
API Number: 43-037-31845  
Operator: Wesgra Corporation  
Reference Document: Original Sundry Notice dated April 19, 2007,  
received by DOGM on April 23, 2007

Approval Conditions:

1. Notify the Division at least 24 hours prior to conducting abandonment operations. Please call Dan Jarvis at 801-538-5338.
2. Surface reclamation shall be done in accordance with R649-3-34 – Well Site Restoration. Evidence of compliance with this rule should be supplied to the Division upon completion of reclamation.
3. All requirements in the Oil and Gas Conservation General Rule R649-3-24 shall apply.
4. If there are any changes to the plugging procedure or the wellbore configuration, notify Dustin Doucet at 801-538-5281 (office) or 801-733-0983 (home) prior to continuing with the procedure.
5. All other requirements for notice and reporting in the Oil and Gas Conservation General Rules shall apply.

Dustin K. Doucet  
Petroleum Engineer

April 30, 2007

Date

## Wellbore Diagram

API Well No: 43-037-31845-00-00

Permit No:

Well Name/No: HOWARD 1

Company Name: WESGRA CORPORATION

Location: Sec: 5 T: 42S R: 19E Spot: NWSW

Coordinates: X: 601829 Y: 4113093

Field Name: MEXICAN HAT

County Name: SAN JUAN

## String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)	Capacity (+/-cf)
HOL1	40	12.25			
SURF	40	8.625	24	40	
HOL2	1400	6.5			
PLG1	1400	6.5	TOP 1140' 455x		
PROD	40	5.5	17	40	7.661
PROD	1100	4.5	15	1060	12.525

Production: 5.5 in. @ 40 ft.

Cement from 40 ft. to surface

Surface: 8.625 in. @ 40 ft.

Hole: 12.25 in. @ 40 ft.

6 1/2" hole (208) → 3.0136  
 6 1/2" hole (gauge) → 4.3396

## Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
PROD	1100	0	B	155
SURF	40	0	B	16

Plug 1 (208) (208)  
 open hole 80' / (1.15) (3.0136) = 235x 165x  
 4 1/2" 1260' / (1.15) (12.525) = 875x 875x  
 5 1/2" 40' / (1.15) (7.661) = 55x 55x  
 1155x 1085x

## Perforation Information

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Squeeze
1100	1180			

Propose 100x → o.k.  
 will circulate to surface.

Cement from 1100 ft. to surface

Production: 4.5 in. @ 1100 ft.

## Formation Information

Formation	Depth
DSCR	1120

POTD  
1180'

Hole: 6.5 in. @ 1400 ft.

TD:

TVD:

POTD:



## CEMENT JOB DETAIL SHEET

UNPUMPED PLUG	PSI TO BUMP PLUG	TEST FLOAT EQUIPMENT	TOTAL BBL. PUMPED	BBL CMT. RETURNS/ REVERSED	PSI LEFT ON CSG.	SPOT TOP CEMENT	KEY ENERGY SERVICES REP: CUSTOMER REP. NAME: CUSTOMER REP. SIGNATURE:	Dean Mestas Mr. Clint Howell
Yes	700	No	77.1	14.0	300	Surface		

## 21. INITIAL PRODUCTION

## INTERVAL A (As shown in Item #20)

DATE FIRST PRODUCED: 11/10/2006	TEST DATE: 11/10/2006	HOURS TESTED: 24	TEST PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF:	WATER - BBL:	PROD. METHOD: pump
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

## INTERVAL B (As shown in Item #20)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

## INTERVAL C (As shown in Item #20)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

## INTERVAL D (As shown in Item #20)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

## 22. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, etc.)

## 23. SUMMARY OF POROUS ZONES (Include Aquifers)

Show all important zones of porosity and contents thereof. Cased intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 24. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Description, Contents, etc.	Name	Top (Measured Depth)
Goodridge	260	285	Sand		
Mendenhall	410	430	Sandstone /Lime		
Littleloop	660	685	Sandstone/ Lime		
Isamay	960	990	Sand		
Desert Creek	1,110	1,175	Sandstone /Lime		

## 25. ADDITIONAL REMARKS (Include plugging procedure)

26. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) Clint HowellTITLE ManagerSIGNATURE Clint HowellDATE 5/16/2007

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation

- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

\* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

\*\* ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining  
1584 West North Temple, Suite 1210  
Box 148501  
Salt Lake City, Utah 84114-5801

Phone: 801-538-8340

Fax: 801-359-3940

RECEIVED

MAY 16 2007

DIV. OF OIL, GAS &amp; MINING

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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2. NAME OF OPERATOR: WESGRA CORPORATION		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: P.O. Box 310367 CITY Mexican Hat STATE UT ZIP 84531		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (435) 683-2298		8. WELL NAME and NUMBER: HOWARD # 1
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1131' FSL , 321' FWL		9. API NUMBER: 4303731845
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 5 42S 19E		10. FIELD AND POOL, OR WILDCAT: MEXICAN HAT
COUNTY: San Juan		STATE: UTAH

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	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Pumped 40 sacks thru tubing @1180' (pressured up tubing stuck  
backed off tubing, Pumped 18 sacks thru tubing to surface = ( Cement surface to 270' Top Plug )


2/15/08

Witnessed By : Bart Kettle . (Div. OGM )

RECEIVED

MAR 05 2008

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Clint Howell	TITLE President
SIGNATURE 	DATE 2/20/2008

(This space for State use only)

**UTAH DIVISION OF OIL, GAS AND MINING**  
**NOTICE OF REPORTING PROBLEMS**

Operator: Wesgra Corporation Account: N1060 Today's Date: 09/16/2008

Problems:

- ☐ Late Report(s)  
☐ Inaccurate Report(s)  
☐ Incomplete Report(s)  
☒ Other: No Subsequent Report

Failure to submit reports in a timely, accurate, and complete manner may result in the issuance of a Notice of Violation by the Division of Oil, Gas and Mining, and may result in the Division pursuing enforcement action as outlined in Rule R649-10, Administrative Procedures, and Section 40-6-11 of the Utah Code.

**To avoid compliance action, these reporting problems should be resolved within 7 days.**

Send reports to:

Utah Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
P.O. Box 145801  
Salt Lake City, Utah 84114-5801

Fax to:

(801) 359-3940

43 037 31845  
Howard I  
425 19E 5

Type of Report	Month(s) of Problem Report		
<input type="checkbox"/> Production – Form 10 <input type="checkbox"/> Disposition – Form 11 <input type="checkbox"/> Gas Plant – Form 13 <input type="checkbox"/> Enhanced Recovery – UIC Form 2 <input type="checkbox"/> Injection – UIC Form 3 <input type="checkbox"/> Other _____			
Type of Report	Well Name(s)	API Number(s)	Drilling Commenced
<input type="checkbox"/> Spud Notice – Form 9 <input type="checkbox"/> Drilling Reports – Form 9 <input type="checkbox"/> Well Completion Report – Form 8 <input checked="" type="checkbox"/> Other <u>Subsequent Sundry</u>	<input checked="" type="checkbox"/> List Attached		

Description of Problem:

Operator has submitted sundry of intents on the following wells that have been approved by DOGM. Per Rule 649-3-23, a subsequent report shall be submitted on Form 9, Sundry Notice, within 30 days after completion. The report should show workover results, well status, work completion date, new perforation depths, etc.

If you have questions or concerns regarding this matter, please contact Rachel Medina at (801) 538-5260 .

cc: Compliance File  
RAM  
Well File  
CHD

**UTAH DIVISION OF OIL, GAS AND MINING**

**NOTICE OF REPORTING PROBLEMS**

**ATTACHMENT**

Operator: Wesgra Corporation Account: N1060 Today's Date: 09/16/2008

[illegible]